

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
Northern Division**

MANOR CARE OF AMERICA, INC.

Plaintiff,

v.

PROPERTY & CASUALTY INSURANCE
GUARANTY CORPORATION,

Defendant.

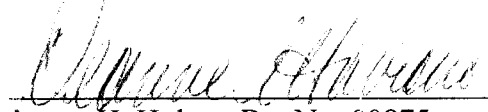
Civil Action No.
02-CV-04206 (BEL)

JOINT STATUS REPORT

On August 30, 2006, the parties filed a Joint Status Report indicating their plan for discovery. The parties have substantially complied with the previous plan. On October 11, 2006, the defendant made its records for the underlying claims available for inspection. On November 1, 2006, representatives of the defendant reviewed these records, which consist of approximately 24 banker's boxes. Numerous documents have been copied and provided to counsel for the defendant. The defendant has requested additional information from the plaintiff; and, the plaintiff is in the process of responding to the additional request. The plaintiff anticipates providing the information to defendant by December 15, 2006. The defendant anticipates advising the plaintiff of those claims they are honoring and those they are denying by January 15, 2007. By February 1, 2007, the parties will report to the Court as to a future

discovery plan in order to resolve the disputed claims. The parties anticipate that the disputed claims will then be subject to summary judgment or trial.

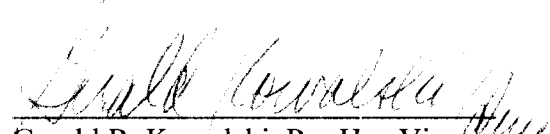
Respectfully submitted,



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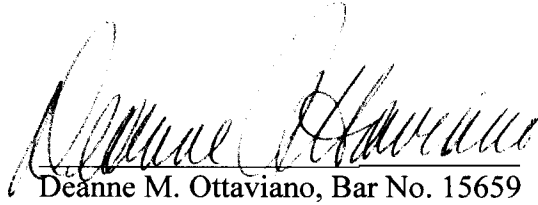
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SO APPROVED:

The Honorable Benson E. Legg, Judge

Certificate of Service

The undersigned hereby certifies that on this 1st day of December, 2006, a copy of the foregoing was filed electronically. Notice of this filing will be sent to all parties by operation of the Court's electronic filing system.



Deanne M. Ottaviano, Bar No. 15659